



Kentucky Department of Insurance

Agent Licensing Frequently Asked Questions

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1. How do I become an insurance agent in Kentucky?

Residents:

- Complete 20 hours of pre-licensing training for each major line of authority. Upon completion of the courses, fax or e-mail the Certificate of Completion form, Form CPL-01, to Agent Licensing.
- Apply for criminal background report online through the Administrative Office of the Courts (AOC) at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. The non-refundable fee is \$15, payable by credit card or electronic check.

- If you are a first-time user, select **Register** to create account. You will receive an e-mail to verify your e-mail address. If you have an account, click **Login** to access your account. You must select **AOC FastCheck**, then **Add a New Batch**. Under Category, select **Licensing**; under Group, select **Dept of Insurance (DOI)**; under Reason, select **Licensing**. Follow the directions to complete your request to ensure the Department of Insurance receives an official copy of your report.

***Please note:** If you do not complete these steps, the Department of Insurance (DOI) will not receive the official copy of your background check and you will need to re-apply for a new report. Online requests are processed within two business days of being received. According to AOC, current processing time for background requests submitted on a paper form is 21 days.*

- Complete and submit electronic application through www.nipr.com. Select **resident initial license application**. Licensing fees may be paid by credit card or electronic check and are non-refundable.
- File proof of financial responsibility (legal liability) with the Department of Insurance.

***Please note:** You may take an examination without filing proof of financial responsibility, but if exam is passed, the license remains in a pending status until proof of professional liability coverage is filed with DOI. (Also see details in question 9.)*

Once we have received and processed all requested information, you may track the status of the application and schedule your examination through a secure eServices account.

<http://insurance.ky.gov/eservices/default.aspx>. To set up a new account, click on **First Time Here?**, complete the requested information, and click **Submit**.

Quick reference for **all** resident applicants:

<http://insurance.ky.gov/Documents/IndAppLicChart080910.pdf>

Non-Residents:

- You must hold the same class of license and line of authority in your home state.
- Apply as non-resident initial license applicant at www.nipr.com.
- Non-resident agents are not required to file continuing education or financial responsibility in Kentucky.
- Quick reference for **all** non-resident applicants:
<http://insurance.ky.gov/Documents/NonResLicChart080910.pdf>

Please note: If you are applying for an **agent** license, please do not select **consultant** on the application. You must hold a consultant license in your resident state to apply for this license.

2. *I am a resident of Kentucky and just finished my pre-licensing. What is my next step?*

- Apply for a criminal background check. See more information in question 1.
- Submit your pre-licensing certificate(s) to the Department of Insurance via e-mail at DOI.AgentLicensingMail@ky.gov or fax to 502-564-3384.
- Complete your application online at www.nipr.com. See details in question 1.

Shortcut to licensing process for resident agents:

<http://insurance.ky.gov/Documents/IndAppLicChart080910.pdf>

3. *I have a criminal record. Will you review my criminal history prior to my application?*

No. The DOI has no authority to review information prior to the submission of the application and will not make any approvals or denials without following the proper application process. Each record is reviewed and processed on a case-by-case basis once the application and all supporting documentation are submitted for processing. Please see link below for the background infraction guideline to assist you with providing details and proper paperwork for each affirmative answer on the insurance application.

<http://insurance.ky.gov/Documents/GuidelinesBckgrndInfoPublic032210.pdf>

4. *How do I apply to become an adjuster in Kentucky?*

- If you hold a resident adjuster license in another state, you may apply for a non-resident adjuster license through www.nipr.com. Select **non-resident initial application** from the menu, enter your resident state and license number, and complete the application.
- If you have passed a state-administered adjuster examination in a state other than your home state, you must apply in Kentucky as a non-resident adjuster with a paper application using **Form 8301**, available by going to <http://insurance.ky.gov/Documents/8301IndAppForm032210.pdf>
- If you have not passed a state-administered adjuster examination, you must apply in Kentucky as a resident adjuster, and pass our examination. Electronic application must be completed at www.nipr.com
- Background checks are required for an adjuster who lives in Kentucky or who is applying as a resident and taking the Kentucky exam. Apply for criminal background report online at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. Refer to question 1 for more details.

- **Only resident public adjusters** must file **Form 99-3** (Surety bond - \$20,000 minimum limit, purchased from a Kentucky-admitted insurer. Requires licensee signature, date and notarization) or **Form 99-2** (Irrevocable Letter of Credit – Cash bond \$20,000 minimum limit, obtained from a Kentucky bank or financial institution). Only admitted insurance companies and financial institutions have these forms. Please request one at the time of purchase.

5. *Do non-resident adjusters need a background check and proof of financial responsibility?*

- Non-resident adjusters are not required to file proof of financial responsibility with the Department of Insurance.
- Background checks are required for an adjuster who lives in Kentucky or who is applying as resident and taking the Kentucky exam. Apply for criminal background report online at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. Please see question 1 for details.

6. *How long does it take to process an application? Paper? Online?*

- Paper applications are processed within five to seven business days from the day of receipt in the DOI.
- Online applications are processed within 48 business hours, provided all other requirements are complete.
- Applications may be tracked and monitored online at <http://insurance.ky.gov> by setting up secure access through eServices. Click on the eServices icon in upper right corner. Click on **First time here?** under login information to set up a new account. You will be able to monitor the status of your application, schedule or reschedule an examination, and complete many other electronic services.

Please note: When all applicable information is received, we will process applications within these timeframes. However, if you have a background infraction or are missing any information that is necessary for processing your application, it may take longer to process. These timeframes are based on normal business processing.

7. *How do I obtain a copy of a background check?*

Apply for criminal background report online at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. For more details, see question 1. Please remember, the report is only valid for 60 days.

8. *How do I set up an eServices account?*

You may set up an eServices account by accessing the DOI website at <http://insurance.ky.gov>. Click on the eServices icon in upper right corner. Click on **First Time Here?** under login information to set up a new account. ***Please note:*** You will be unable to set up an account until your application is received and processed at DOI.

9. *What is financial responsibility and where do I obtain it?*

Financial responsibility is the legal liability that covers the acts of the licensed person or business entity. Resident agents and certain special class licensees (i.e., resident public adjusters, resident consultants, resident surplus lines brokers, and resident and non-resident

life settlement brokers and providers) are required to file proof of this coverage with DOI and must maintain it for the duration of the license.

- To obtain coverage, contact an agent who represents Kentucky-admitted insurers.
- Although you may take an examination prior to filing proof of financial responsibility with DOI, the license remains in pending status and cannot be issued until the appropriate documents are filed.
- An insurer or financial institution authorized to write such coverage through a Kentucky-admitted insurer must submit one of the following forms to DOI:
 - **Form 99-1** – Errors and omissions liability policy (minimum limits of \$20,000 per occurrence and \$100,000 aggregate). Form may be e-mailed to DOI.AgentLicensingMail@ky.gov, faxed to 502-564-6030 or submitted electronically by the insurer.
 - **Form 99-2** – Letter of credit (minimum \$20,000). The original must be mailed to the address on the form. This form is provided by a financial institution.
 - **Form 99-3** – Surety bond (minimum \$20,000). The original must be mailed to the address on the form. This form is not accepted electronically and DOI must receive the original by mail. The licensee must sign, date and notarize the form prior to mailing.
 - **Form 99-6** – Insurer's assumption of legal liability. For agent applications, **Appointment Form 8302-AP** and appointment fee (\$40 per insurer) must be filed in conjunction with the license application. After those requirements have been met, **Form 99-6** may be submitted electronically by the insurer.

Also, see details in question 4. Other helpful information for all resident license classes: <http://insurance.ky.gov/Documents/IndAppLicChart080910.pdf>

10. How do I find a list of continuing education providers?

Please see our website for a complete listing of all approved providers, courses and instructors. Click on each provider name in order to view the listing of courses, credit hours, type of course, and provider contact information. Information is available by going to <http://insurance.ky.gov/CE/vProviders.aspx?id=3>

11. How many continuing education hours are needed to be compliant and what is the breakdown?

Continuing education requirements for **resident insurance agents**:

- 24 hours are required. Of those, three hours must be in ethics and six hours in one or more of the licensed lines of authority. Hours may be any combination of classroom and/or self-study.

Continuing education requirements for **resident independent** and **public adjusters**:

- 24 hours are required. Of those, three hours must be in ethics. Hours may be any combination of classroom and/or self-study.

Please note: For those individuals who hold both an agent and adjuster license, CE hours taken meet requirements for both at the same time.

12. How do I renew my license?

- **Option 1** – National Insurance Producer Registry (NIPR): *Note to adjusters and special classes (see question 9): You must hold a resident state insurance license in order to*

renew through NIPR. Go to www.nipr.com and click on the renewal application in the left column under resident or non-resident licensing, whichever is applicable. You will need to know your resident state license number and your National Producer Number (NPN). If you do not know your NPN, it will allow you to retrieve it directly from the renewal screen. Follow the prompts to complete the process. Please confirm renewal completion on the Kentucky DOI website: <http://insurance.ky.gov>.

- **Option 2 – eServices:** To renew your license through the Kentucky Department of Insurance website, you must have an eServices account. If you need to create an account, go to <http://insurance.ky.gov> and click on eServices in the upper right corner. Click on **First Time Here?**, complete the requested information and submit.

***Please note:** There is no renewal fee for the agent license if the licensee holds active insurer appointment(s). However, you must renew even if there is no fee. If you have no insurer appointments at time of renewal, the fee is applied. No new license certificate is provided at time of renewal. Current license certificate is continuous until terminated or revoked.*

13. I completed my continuing education and filed the hours with the Department timely, why am I pending replacement? Or why am I inactive?

If you completed and filed your CE hours but did not renew your license by the compliance date, your license will change to **pending replacement** for license renewal, and no new appointments or designations will be permitted until the license is renewed.

See license renewal instruction options in question 12. You must renew your license in addition to completing your continuing education hours. If you fail to renew the license while in the pending replacement status (within 60 days from the last day of your birth month), the license expires.

When a license expires (**inactive** status for license, appointments, and designations), you must apply for reinstatement. This requires new license application, license fees, Administrative Office of the Courts (AOC) background report (if applicable), and financial responsibility (if applicable). There will be a gap in licensure. Upon reinstatement of license, all insurers must re-appoint the licensee for appropriate lines of authority.

14. I completed my renewal. When do I receive my new license?

You may print a new license certificate and a pocket ID card at any time through your secure eServices account. See question 8 for instructions to set up an eServices account.

15. How do I print a duplicate or replacement license?

You may print a new license certificate and pocket ID card at any time through your secure eServices account. See question 8 for instructions to set up an eServices account.

16. How do I change my address? Name? E-mail?

You may complete these changes through eServices. See question 8 for information on setting up an account.

Non-resident licensees may update license record information through www.nipr.com. Record changes may be made for all states in which you hold a license at the same time. Click on **Address Change** to begin this transaction.

17. I recently moved and my new state is requesting a clearance letter. How do I get one?

If you are no longer conducting business in Kentucky, you must complete a voluntary surrender of license. The clearance letter may be requested at this time. The cost is \$5 per letter. This action may be completed through eServices <https://insurance.ky.gov/Eservices/default.aspx>, or by submitting Form VS – Voluntary Surrender of License <http://insurance.ky.gov/Documents/VSVoluntarySurrender092309.pdf>.

If you wish to keep your Kentucky license but change it to “non-resident” status, submit a record correction request through eServices <https://insurance.ky.gov/eservices/default.aspx> or submit **Form 8303** to change your address and residency status <http://insurance.ky.gov/Documents/8303ChangeAddressForm111809.pdf>. The clearance letter may be requested at this time. The cost is \$5 per letter.

***Please note:** You may want to check with your new resident state’s DOI to see if a clearance letter is necessary. All states may verify license status on NIPR, and most no longer require a clearance letter.*

18. How do I license a business entity (BE)?

Resident BE:

- Business entities must apply through www.nipr.com for licensure (processed within 48 business hours providing all requirements are completed), or submit **Form 8301-BE** by mail <http://insurance.ky.gov/Documents/8301BEBusEntity031810.pdf>. Paper applications are processed within five to seven business days, providing all requirements are completed.
- The fees for an agent resident BE are \$100 application fee plus \$100 for each line of authority requested.
- See link to fee schedule enclosed below for the fees for other business entity licenses. <http://insurance.ky.gov/Documents/FeeSchedule032210.pdf>
- If applying for a business entity agent license, the designated responsible producers must be licensed in Kentucky and appointed by an insurance carrier for the same lines of authority that the business entity is requesting. The designated responsible individual for other special class business entity licenses must be licensed in Kentucky.

Non-Resident BE:

- Business entity must apply through www.nipr.com for licensure (processed within 48 business hours providing all requirements are completed), or submit **Form 8301-BE** by mail <http://insurance.ky.gov/Documents/8301BEBusEntity031810.pdf>. Paper applications are processed within seven business days, providing all requirements are completed.
- The fees for a non-resident agent BE are \$120 application fee plus \$120 for each line of authority requested.

- See link to fee schedule enclosed below for the fees for other business entity licenses.
<http://insurance.ky.gov/Documents/FeeSchedule032210.pdf>
- If applying for a business entity agent license, the initial designated responsible producer must be licensed in Kentucky for the same lines of authority that the BE is requesting. All additional designated responsible producers must be licensed for the same lines of authority and appointed by at least one insurance carrier. The designated responsible individual for other special class business entity licenses must be licensed in Kentucky.

19. How do you designate an individual agent to a business entity?

- When applying for an agent license, the designated individual must be licensed for the same line or lines of authority the business entity is requesting before the designation can be made active.
- The application will only be processed for the line of authority the initial designated individual agent holds with the Kentucky DOI.
- You may designate or terminate an individual agent or an individual for a license other than agent through your business entity eServices account – add or terminate designations. <https://insurance.ky.gov/eservices/default.aspx>

20. If the individual license is active, why is the business license pending?

The business entity may need to provide additional information to finish the processing of the application that was submitted for licensure. The business entity may check its status online through its secure eServices account. Our office also sends a letter to the business entity that states the reason(s) that the application is in a pending status and allows the business entity 30 days to submit the requested additional information before the application will be placed in a denied status.

21. Our business entity changed its Federal Employer Identification Number (FEIN). What do we provide to show the change?

- If the FEIN was changed due to an organizational change, you must submit the supporting documentation and **Form 8303** – Record Correction Request
<http://insurance.ky.gov/Documents/8303ChangeAddressForm111809.pdf>
- If the FEIN was changed due to the business being sold or the business is closing, you must surrender the license and apply with a new application and all applicable fees for the new business entity.
- If the business entity changed both the FEIN and the name, you must follow the same guidelines as noted above.

22. I just moved to Kentucky from another state, how do I change my Kentucky license to resident status?

- If you hold a Kentucky non-resident license and you are just changing residency, you must complete the following:
 - **Form 8301** with appropriate supporting documentation for any affirmative background answers.
 - Apply for criminal background report online at <http://courts.ky.gov/aoc/AOCFastCheck.htm>. The non-refundable fee is \$15, payable by credit card or electronic check.

- Financial responsibility – see details in question 9.
- No fees are required if you are changing residency, currently hold the Kentucky non-resident license, and the change is within 90 days of previous resident state inactive status.

23. I just got a letter that states, “The National Producer Database indicates you hold a resident license in another state. You must obtain this license in your resident state before receiving a Kentucky non-resident license.” What does that mean?

- In order to hold an active non-resident license in the state of Kentucky, you must hold the same license class and lines of authority in your home state as a resident agent.
- If you applied for a consultant license but hold an agent license in your resident state and intended to apply for a non-resident agent license, then you may send an e-mail to request a correction from consultant to agent. You will need to correct page 2 of the application. Additional fees will be required.

Major changes that impact licensees subject to continuing education (CE):

- The 12-hour classroom continuing education requirement was removed. A licensee may choose to take all or part of the continuing education courses as correspondence, self-study or distance learning. The 24-hour total, including the six-hour line of authority and three-hour ethics requirements, did not change and are still required each compliance period.
- Effective July 1, 2012, independent and public adjusters are required to show proof of completion of 24 hours continuing education with three hours in ethics.

Continuing education provider training: Legal and ethical issues

(The following information was shared on June 24, 2009.)

Relevant insurance code statutes and regulations

KRS 304.9-260: Continuation and expiration of license; receipt of renewal fees; continuing education documentation.

KRS 304.9-295: Biennial continuing education requirements for licensed agents and adjusters; exceptions; courses; number of hours; failure to complete; penalty.

806 KAR 9:220: Continuing education. This is the main regulation regarding course and instructor approval.

806 KAR 9:340: Forms for application, appointment, pre-licensing and continuing education course completion; examination retake, provider and course approval; filing fee submission, instructor approval, continuing education attendance roster and certificate of completion; rental vehicle license supplemental application; record correction and background check request.